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Promotion and protection of all human rights, civil, political, economic, social and cultural rights, including the right to development

Report of the Special Rapporteur on extreme poverty and human rights, Magdalena Sepúlveda Carmona

Corrigendum

1. Paragraph 1, first sentence

The sentence *should read*

Fiscal policies are a tool that States can employ to comply with their international human rights obligations.

2. Paragraph 2, third sentence

The sentence *should read*

Given that government expenditure has been subject to a considerable amount of analysis from the perspective of human rights, the Special Rapporteur will focus on the revenue-raising side of fiscal policy, in particular taxation.

3. Paragraph 8

For the existing text, *substitute*

8. In the present report, the Special Rapporteur explains the scope and content of human rights principles and obligations relevant to the formulation of revenue-raising policies. She elucidates the minimum requirements with which a State must comply in order to fulfil [illegible]les and obligations. After clarifying the crucial functions of tax with regard to human [illegible], she examines different tax measures and practices from a human rights perspective.

4. Paragraph 13, first sentence

The sentence *should read*

The rights to equality and to non-discrimination should be respected in all State revenue-raising policies.

5. Paragraph 16, last sentence

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The sentence *should read*

In contrast, a flat tax would not be conducive to achieving substantive equality, as it limits the redistributive function of taxation.

6. Paragraphs 22 and 23

For the existing text *substitute*

22. Decision-making processes regarding tax and public revenues must therefore be based on full transparency and the broadest possible national dialogue, with effective and meaningful participation of civil society and those who will be directly affected by such policies, including people living in poverty.[22] Fiscal policies must be subjected to the scrutiny of the population during design, implementation and evaluation stages, with the various interests transparently identified. This will require capacity-building and fostering fiscal literacy in the population. The population must have access to all relevant information in an accessible and understandable format,[23] and inclusive mechanisms must be put in place to ensure that they are actively engaged in devising the most appropriate policy options.[24] Owing to the asymmetries of power, expertise and interests in this debate, specific measures must be taken to ensure equal access and opportunities to participate, particularly for people living in poverty.[25]

23. To ensure accountability, fiscal policies (including, for example, tax incentives granted to foreign investors) must be open to judicial oversight, while public officials must be accountable for decisions that endanger the enjoyment of human rights. Accessible mechanisms for complaints and redress must also be put in place.

7. Paragraph 43, second sentence

The sentence *should read*

For example, according to the United Nations Educational, Scientific and Cultural Organization (UNESCO), strengthening tax systems is vital to guarantee the right to education.

8. Paragraph 46, first sentence

For Governments *read* States

9. Paragraph 47, last sentence

The sentence *should read*

Thus, although each country's situation is different, the higher the prevalence of regressive taxes in the mix of revenue-raising sources, the more likely it is that a State will run afoul of the principles of equality and non-discrimination and that the minimum essential levels of rights enjoyment by the poorest will be threatened.

10. Paragraph 58, first sentence

The sentence *should read*

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[22] See A/HRC/17/34/Add.2, paras. 36-38.

[23] Human Rights Committee general comment No. 34 (CCPR/C/GC/34), para. 19.

[24] A/HRC/23/36.

[25] Idem.

Tax abuse includes tax evasion, fraud and other illegal practices, including the tax losses resulting from other illicit financial flows, such as bribery and money laundering.[92]

11. Paragraph 61, first sentence

The sentence *should read*

It is important to note, however, that large-scale tax evasion does not take place in a domestic vacuum.

12. Paragraph 63, first sentence

The sentence *should read*

In many countries, business enterprises are taxed at a very low rate, even extremely profitable large corporations whose success is at least partly attributable to the infrastructure, healthy educated workforce and other resources that public funds enable.

13. Paragraph 67

For where a State is alleged to be failing to use its maximum available resources *read* where a State is allegedly failing to use its maximum available resources

14. Paragraph 68, fourth sentence

The sentence *should read*

The owners, managers and creditors of financial institutions were able to reap the full gains of "boom" times, whereas ordinary taxpayers were expected to shoulder the costs to save the sector when it was collapsing, while also enduring austerity measures.[93]

15. Paragraph 69, last sentence

For This measure *read* This type of taxation

16. Paragraph 75, last sentence

The sentence *should read*

In particular, high-income States that enable or fail to tackle tax abuse and illicit financial flows must shoulder some responsibility for the shortcomings of the tax and public finance systems in developing countries and related poverty rates, lack of enjoyment of human rights and economic inequalities.

17. Paragraph 79

Subparagraph (l) *should read*

(l) Ensure that extractive industries are subject to appropriate tax rates, and that the human rights of affected communities and future generations are protected in the exploitation of natural resources;

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[92] Human Rights Institute Task Force on Illicit Financial Flows, Poverty and Human Rights, International Bar Association, *Tax Abuses, Poverty and Human Rights*, October 2013.

[93] See IMF, *A Fair and Substantial Contribution by the Financial Sector*, Final Report for the G-20, June 2010, p. 9.